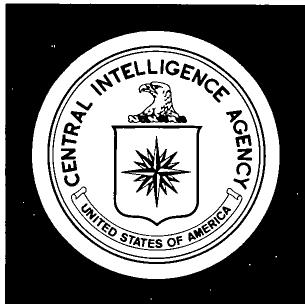


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The President's Daily Brief

September 20, 1976



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FOR THE PRESIDENT ONLY

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LATE ITEM

In Malta's parliamentary election, Prime Minister Mintoff's Labor Party appears headed for a narrow victory. With 10 of 13 electoral districts unofficially counted, the opposition Nationalist Party seemed to have failed in its bid to turn the island nation from Mintoff's neutralist foreign policy toward a more pro-Western stance.

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CHINA: All active members of the Politburo, including those based in the provinces, attended the memorial service for Mao on Saturday in Peking's Tienanmen square.

This was the first time since May 1971, when Mao last appeared publicly, that the entire leadership has been seen by the Chinese people. The leaders were arranged in strict protocol order, revealing no change in alignment.

Hua Kuo-feng, who was identified by the two titles he has held since April, first vice-chairman of the party and premier, delivered a twenty-minute eulogy. Hua's remarks, touching on all aspects of the Chinese political scene, seemed designed to placate civilian and military leaders of every political stripe and suggested that no single faction had the upper hand in drafting the statement.

Hua made a low-key reference to the campaign criticizing the ousted Teng Hsiao-ping, praised the military, took several swipes at the Soviet Union, and mentioned the need to carry on Mao's revolutionary foreign policy line--a euphemism for the opening to the US.

An abbreviated list of others who attended the memorial service shed no further light on the status of several officials who have come under attack in the course of the anti-Teng campaign. Although nearly all members of the Central Committee, including most province chiefs, appeared in Peking during the mourning period, very few were on the list.

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LEBANON: The failure of yesterday's tripartite talks at Shaturah, Lebanon, sharply reduces prospects that the Syrians and Palestinians can reach any accommodation without further fighting.

President-elect Sarkis, Palestine Liberation Organization chief Yasir Arafat, and Syrian Deputy Defense Minister Jamil have agreed to meet again in Beirut on September 24 after Sarkis' inauguration, but this announcement was probably intended only to mask the fact that their talks ended in deadlock.

Still another attempt to resolve the Lebanese conflict may be under consideration. *An-Nahar*, a reputable and usually well-informed Lebanese newspaper, reported yesterday that Sarkis and several other prominent Lebanese leaders who have visited Cairo recently are pressing for a four-power Arab summit in Jidda to promote a reconciliation between Egypt and Syria in the belief that this would facilitate efforts to end the Lebanese civil war.

We doubt that Sadat and Asad are ready to put aside their differences. The newspaper article may simply reflect the wishful thinking of some Lebanese leaders and encouragement given them by the Egyptians. Despite his probable unwillingness to resolve his quarrel with Asad, Sadat might be receptive to the idea of such a conference because it would place him on a par with the Syrian President in seeking a Lebanese political settlement.

Soviet officials, including Foreign Minister Gromyko, talked in Moscow last week with PLO political chief Qaddumi.

Soviet press commentary over the weekend suggests that the officials urged the Palestinians to compromise in order to reach a negotiated settlement in Lebanon. Tass, in describing the talks, stated that all Arab progressives should cooperate to end the crisis.

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Pravda emphasized the importance of a political solution and made no mention of the need for a Syrian troop withdrawal. Previous Soviet press commentary had stressed the importance of a Syrian withdrawal, and Soviet officials had taken the same line in private.

The USSR is also in touch with Syria. The Soviet representative at the Geneva conference--who customarily travels to the Middle East during periods of Arab negotiations--arrived in Syria on Friday and talked with Deputy Prime Minister and Foreign Minister Khaddam on Saturday.

* * *

SWEDEN: Prime Minister Olof Palme's Social Democrats suffered their first defeat in nearly 44 years in yesterday's election.

With approximately 90 percent of the vote counted, the three non-socialist parties appeared to have won a clear majority, although the final official tally will not be known until midweek.

Computer projections give the Center, Liberal, and Conservative parties a total of 180 seats, against 169 for the Social Democrats and their Communist Party allies, in the 349-seat parliament. Swedish election analysts claim the final result is not likely to vary more than one or two seats from the computer projection.

Thorbjorn Falldin, chairman of the Center Party, is almost certain to be named prime minister if the non-socialist parties can agree on a coalition. Although the Centrists' and Liberals' differences with the Conservatives have thwarted cooperation in the past, recent statements by the leaders of the three parties suggest that they will make every effort to put together a government this time.

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NOTES

The Panamanian government softened its accusation over the weekend that US intelligence services were behind the recent protests over price increases.

The US citizen arrested by the Panamanians is still being held.

No protest demonstrations occurred as government officials met with student leaders to explain the country's economic situation. The disturbances last week were the largest anti-government protests since General Torrijos came to power in 1968.

* * *

The return to Thailand yesterday of former prime minister Thanom Kittakhachon may prompt some student demonstrations but is unlikely to cause violence.

Thanom's return, which was prompted by the apparently imminent death of his father, had been approved by the government but limited to seven days. Actually his stay is likely to be indefinite unless it leads to a repeat of the student turmoil caused by General Praphat's return last month. Thanom's acceptance as a monk within hours of his arrival in Thailand should make it difficult for leftist student leaders to develop much support for demonstrations.

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